P 10

1789

File No. 786-07

Serial No. 1

1907

(Municipal)

Information
2 B 130-W (1-4)
Mch 142-15 14 4
CF 139 26/12

786½-07

GENERAL AND REVENUE SECRETARIAT.

Serial Nos 1

Part B for Aug. 1907

SUBJECT

Sums balances against Municipal
District Boards & levy of interest on overdrawn

To Comptr, Pres. of Municipal Bds & Pres.
K & G. F. Sanitary Bd No 2 1000 → 5
27-8-07 Passes orders regarding sums
balances against Mcl & Dist Bds & directs the levy of
interest from 08-09 on all overdrawals lasting more than
month

G. E. S. 55

GRS 11] 1907

GENERAL AND REVENUE SECRETARIAT

(Mund)

NOTES

File No 164-07

FILE HEADING

Mund balances against Mund and District Boards and levy of interest on overdrawals.

From

No	Dated	Received

Diary No	Enclos	Spare Copies	Serial No

BRIEF ABSTRACT OF LETTER

NOTES AND ORDERS
(Taken from 164 3(06)

The Municipalities are obliged to lodge their receipts in Govt Treasury and incur expenditure by means of cheques and

NOTES—First sheet

GPB -3000- 2030

Serial No

bills on the Treasury officers who should encash them only if the balances at the credit of the ~~aforesaid~~ concerned Municipalities are sufficient to cover the amount of the bills or cheques presented for payment.

The cash accounts received from the Comptroller disclose that the Munsifs of Anekal, Haricher and T Narsipur (in addition to Chitaldrug and Kankanhalli whose cases are being separately considered) had minus balances against them in December and January 1907 The encashment of Munsif cheques without reference to the balance at the credit of the Munsifs does not seem to be a correct procedure But if the rule is strictly enforced, all Municipal transactions will have to be temporarily suspended in the Munsifs which cannot afford to have sufficient funds during all the parts of the year, as the major portion of the income in many of the Munsifs is from "House and Motkat urfa taxes" which are generally realized between the months of March and June every year

Orders are respectfully solicited as to whether the Treasury offi

G R S 12]
General and Revenue
Secretariat

File No 16-4-07 of 190 6

Note No 262 6-07

Serial No

see linked L B

COMPTROLLER'S OF 18 JUN 1907 SOA

As I have already stated in another file minus balances are to be discouraged as far as possible, & precautions should be taken when the local fund budget are under consideration to avoid all risks of such deficits in the course of the year. I understand their estimated is already a rule requiring the closing balance of the fund to be at least ¼th of the annual receipts -

But when a deficit has already happened payments cannot be stopped for administrative reasons and the services should continue least if there is any chance of the deficits being made up soon - Otherwise the Boards should arrange for a loan from Govt & pay interest

In my opinion a general order authorising such deficits is not in accordance with the business & financial principles Each case should be dealt with on its merits -

Perhaps if we insist on interest being levied on the overdrawals leaving more than a month the Boards might be more careful in future

1st Comptroller

(18 x 10)

DS 19/6

Note 6th sheet

(1 B 50 000—17 10)

Serial No

Submitted for orders with linked file LB 9-06 referred to in para 1 of the Comptroller's unoffical note above.

N

Attention is respectfully invited to para 7, clause IX of Govt order No 6227-L429 dated 24th August 1891 directing that the Treasury officers should refuse to make payment without the special order of the Comptroller, when there are no funds in favor of the Mmulds A strict adherence to this rule, will, it is submitted, greatly minimize the present irregularity ~~and if on administrative grounds it is found necessary to allow monthly balances in some Mmulds Special orders may issue in such cases on the representations of the Boards concerned~~, though in ~~Subsistence orders~~ the majority of cases, the Boards will have

N 20/6/07

hardly occasion to spend for about 8 months in the year till the collection season begins, when nothing the deficit will be made good & also sufficient funds will be available [illegible]

Because the

to hardly

ient to

Note- Contn sheet

(11—4011—181)

G R S. 12]
General and Revenue
Secretariat

10576
File No M 164-07 ~~355 of 1906~~

6

Serial No

demands. If the course suggested in the last para of the Comptroller's note of 18th June 1907 be adopted the deficits may be minimised by the Boards regulating the expenditure so as to leave a closing balance of 1/4th the revenue of the year for a period of 4 years when they will entirely disappear and enable the Boards to undertake useful projects from their current income

Submitted for orders of the Dewan and the 1st Councillor

3290/2707

JD
24/6/07

Please see Comptroller's note in M file no 9979/06 (linked D this) - On map the Draft for consideration - The papers of one draft will answer for both files -

Sd/ JD
17/7

Draft Submitted

Sd/ 18/7/07

JD
17/7/07

(2) time
3290/1907

5740/2807

Dewan 31/7

Dewan

G.R.S. 12]
General and Revenue Secretariat

File No 355 (1018) 164 of 1907

7

Serial No

Subject

The Subject of the draft as finally approved is one that relates to 'General Finance'. So, the draft has to issue from Branch II

2/8/07 16/8/07

All right send to Board

Typed as per Please type the draft as per record. D.O. 21/8

Let it

May the Press copy issue from this Branch?

Submitted K.S. 26.8.07

Yes 26.8.07

To the Presidents of the Mysore and Dist Bds and the President of the Kolar Gold Fields Sanitary Board No H.1000-9 dated 27 Aug 07

Directs that from the beginning of the year 1908-9, interest at 6 per cent per annum be levied on all over drawals lasting more than a month and that the budget estimates be prepared with the utmost care, sufficient work balances being normally [illegible]

Note—Contd sheet

IB—10 19—1811

Subd

This has been
given a first reading.
Mayor Ries be asked
to Branch IV for gathering
the copies requested & the
abstracts of the ways & means
to be approved by the
Assistant Secy of Branch IV

[S 98]

File No 164-07

Serial No 61

Diary No [redacted] Letter [redacted] to

Proceedings of the Government of His Highness the Maharaja of Mysore

GENERAL [redacted] REVENUE SECRETARIAT

190

Date of issue [redacted]

Signed by [redacted]

HEAD— (1) Comptroller's Municipal and District Fund accounts for the months of December 1906 and January 1907.

(2) Rule IX in para 7 of Govt order No 71627-39/L429 dated the 24 August 1891

ORDER THEREON—No At the end of December 1906 there were minus balances against the District Boards of Hassan Kadur, and Shimoga and the Municipalities of Chitaldrug, Kankanhally, T Narsipur

SUBJECT

GPB—7,000—1 3 07

and Hakimabad [redacted] (redacted)
of January 1907, the [redacted]
balance against the Shikarpur
Board disappeared but the
Kotah District Board and the
Amkot Municipality had minus balances
This is not satisfactory as
the incurring of expenditure
when there are no funds at
the credit of the Boards concern-
ed is irregular, though there a deficit
2 Govt consider that the occurred, payments
debit balances are due to be stopped for
the defective forecasts of in- reasons & the Treasuries
come and expenditure and continue payment if
to the reservation of insufficient is any chance of the
working balances in the budgets being made up soon.
and that as long as there is no
improvement in the budget-
ing of the receipts and expend-
iture, the annual balances are
inevitable. The Residents
therefore requested to see that
Estimates are prepared with
utmost care and

GENERAL AND REVENUE
[redacted] REGISTRIAT

Contra [redacted] Sheet draft form

[redacted]ing balances are invariably provided therein

3. ~~Experience~~ Whenever there is an unforeseen failure of the collections due to adverse Seasons, Govt. while [redacted] prepared to come to the rescue but ~~that~~ Such a course should be the Exception and not the rule. When a defict balance has already happened payments cannot be Stopped for administrative reasons and the treasuries Should Continue payment, if there is any chance of the defects being made up Soon and ~~[redacted]~~ In view ~~therefore~~ the ~~Issue~~ to discourage minus balances as far as possible, Govt ~~charge that~~ interest at 4 per cent per annum ~~to be~~ ~~Credited~~ on all overdrawals lasting more than a month if the defict cannot be made up in a reasonable time, the Boards ~~Should~~ will have to arrange for a loan from the Govt and pay interest thereon in the usual Course

~~[redacted]~~ ed as per draft and send to the Secretary to the Govt of India in the next year's 1908-09

19/7/07
for Secretary to Govt

[redacted] Finance Dept

[redacted] Mr Hamilton

[redacted] 19/7/07

[redacted] the President Board and Dist Boards and the Dist of the K & Y Land Bra

Proceedings of the Government of His Highness the Maharaja of Mysore, Local Fund and Sanitary (Municipal), dated 27th August 1907

READ—

1 Comptroller's Municipal and District Fund accounts for the months of December 1906 and January 1907

2 Rule IX in para 7 of Government Order No Fl 6227 39– L 429 dated the 24th August 1891

No Fl 1000 9-4 Ml 164-07 1, DATED BANGALORE, 27TH AUGUST 1907

ORDER THEREON.—At the end of December 1906 there were minus balances against the District Boards of Hassan, Kadur and Shimoga and the Municipalities of Chitaldrug, Kanakanhalli, T Narsipur and Harihar while at the end of January 1907, the minus balance against the Shimoga District Board disappeared but the Kolar District Board and the Anekal Municipality had minus balances This is not satisfactory as the incurring of expenditure when there are no funds at the credit of the Boards concerned is irregular, though when a deficit balance has already occurred, payments cannot be stopped for administrative reasons and the Treasuries should continue payment if there is any chance of the deficits being made up soon

2 Government consider that the debit balances are due to the defective forecasts of income and expenditure and to the reservation of insufficient working balances in the budgets, and that as long as there is no improvement in the budgeting of the receipts and expenditure the minus balances are inevitable The Presidents are therefore requested to see that the budget estimates are prepared with the utmost care and that sufficient working balances are invariably provided therein

3 When, however, there is an unforeseen failure of the collections due to an adverse season or other cause, Government will be prepared to come to the rescue but such a course should be the exception and not the rule In view therefore to discourage minus balances as far as possible, Government will be compelled to charge from the beginning of the next official year (1908-09) interest at 1 per cent per annum on all overdrawals lasting more than a month and if the deficit cannot be made up in a reasonable time the Boards will have to arrange for a loan from the Government and pay interest thereon in the usual course

C S RAMASUNDARAM IYER
Offg Secy to Govt, Gen & Rev Depts

To—The Comptroller Mysore Government
The Presidents of Municipal and District Boards
The President of the Kolar Gold Field Sanitary Board

Exd —C. V

1907-08

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

LOCAL FUND AND SANITARY MUNICIPAL

PROCEEDINGS

Dated 27th August 1907

No Fl 1000-9 / Ml 164-07-1

Passing orders regarding minus balances against Municipal and District Boards and directing the levy of interest from the beginning of the year 1908-09, at 4 per cent per annum on all overdrawals lasting more than a month

GPB—14-9-07—500